GOVERNMENT OF ANDHRA PRADESH
ABSTRACT

Energy Department – Proposal for setting up of 1500 MW of Pumped Storage Hydro Power (PSP) Projects by M/s. JSW Neo Energy Ltd.-Allotment of 1500 MW PSP Project at Vempalli in YSR District – Orders – Issued.

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Convention on Climate Change (UNFCCC) held in Glasgow, United Kingdom to reach 500 GW Non-fossil energy capacity by 2030 and achieve the target of net zero emissions by 2070. In view of the commitments of Government of India, the share of Renewable Energy is expected to be increased substantially in the country in the coming years and is going to be more challenging than ever before to maintain stable grid due to variations in Renewable Energy Power generation. The Govt. of India has identified pumped storage hydro projects as one of the most prominent energy storage options that can be considered for balancing of variable renewable energy and is extensively promoting development of PSPs which is the most commonly used and commercially viable large scale electricity storage technology and currently accounts for 95% of the total storage capacity globally.

3. Government of Andhra Pradesh has notified Andhra Pradesh Pumped Storage Power Promotion Policy 2022 vide G.O.Ms.No.25, Dated 20.12.2022 to encourage, develop and promote Pumped Storage Hydro Power projects in the State.

4. In the reference 1st read above, M/s.JSW Neo Energy Ltd.,(M/s. JSWNEL), Mumbai, have submitted proposal for allocation of 1500 MW Pumped Storage Hydro Power (PSP) projects at Vempalli in YSR District.

5. M/s. JSW Neo Energy Ltd., have requested to extend certain incentives and issue project allotment order for development of 1500 MW PSP and extend necessary support required from relevant departments of Government of Andhra Pradesh for grant of various approvals, clearances related to the project. Implementation of 1500 MW PSP Project will bring investment to an extent of Rs.6,965.73 Crores and the project helps to improve the local economy besides creating direct and indirect employment to1500 persons.

6. The proposal of M/s. JSW Neo Energy Ltd. has been placed before State Investment Promotion Board (SIPB) meeting held on 11.07.2023. The SIPB have taken the following decisions,

i. Allotment of 1500 MW Pumped Storage Hydro Power (PSP) near Vempalli in YSR District.
ii. Extending of Mega Industrial Project Status to the project to facilitate single window clearances. NREDCAP will be the Nodal Agency. However, no incentives will be provided.
iii. Allotment and alienation of land required and available if any in the project area for the project on outright sale basis @ Rs. 5 lakhs per acre or on lease basis with lease rentals of Rs.31,000/- acre with an annual escalation of 5% for every two years, based on the option of the Project developer.
iv. Allocation of 0.85 TMC of water on one-time non-consumptive basis and 0.134 TMC water towards annual evaporation losses from

Kaletivagu Reservoir as per the G.O.Ms.No.46, Dt.03.06.2023 of Water Resources (Reforms) Department.

v. Green Energy Development Charges shall be levied @ Rs. 1 lakh/ MW/Year for 1st 25 years and Rs. 2 lakhs/MW/year for remaining period of the project.
vi. Facilitation charges shall be paid @ Rs. 50,000/ MW to the Nodal Agency.
vii. Actual expenditure incurred by the NREDCAP towards preparation of Feasibility Report, Detailed Project Report, carrying out various field investigations and expenditure towards obtaining various clearances, shall be reimbursed / paid by the developer as and when demand notice is raised by NREDCAP.
viii. Govt. of Andhra Pradesh will support and facilitate the project for availing grants of special category projects under Central Govt. schemes.
ix. Govt. of Andhra Pradesh will facilitate the project for availing benefits provided as per National Energy Storage Policy without any financial commitment from Govt. of AP.
x. The project shall be completed within 6 years from the date of handing over of revenue lands available if any at the proposed project location.

7. Government after detailed examination of the proposal of M/s. JSW Neo Energy Ltd., in consultation with various stakeholders i.e, Revenue Dept., EFS&T Dept.,/ Water Resources Department/ APTRANSCO in the light of the decisions taken in the State Investment Promotion Board, have decided to extend the incentives that are considered for Pumped Storage Hydro Power Projects allotted earlier to M/s. Adani Green Energy Ltd. Accordingly, the Govt. here by issue the following orders:

i. Allotment of 1500 MW of Pumped Storage Hydro Power Project to M/s. JSW Neo Energy Ltd. Project at Vemaplli, YSR District.
ii. Mega Industrial Project Status has been accorded to the project to facilitate single window clearances. NREDCAP will be the Nodal Agency. However, no incentives will be provided.
iii. Allotment on lease basis / alienation of the land required and available if any in the project area for the project either on outright sale basis @ Rs. 5 lakhs per acre or on lease basis with lease rentals of Rs. 31,000/ Acre/ Year with an escalation of 5% for every two years, based on the option of the project developer in the project location.
iv. Allocation of 0.85 TMC of water on one-time non-consumptive basis and 0.134 TMC water towards annual evaporation losses from Kaletivagu Reservoir as per the G.O.Ms.No.46, Dt.03.06.2023 of Water Resources (Reforms) Department.
v. Green Energy Development Charges shall be levied @ Rs. 1 lakh/ MW/Year for First 25 years and @ Rs.2 lakhs/MW/year for remaining life of the project.

vi. Facilitation charges shall be paid @ Rs.50,000/- MW to the Nodal Agency (NREDCAP).

vii. Actual expenditure incurred by the NREDCAP towards preparation of Feasibility Report, Detailed Project Report, carrying out various field investigations and expenditure towards obtaining various clearances, shall be reimbursed / paid by the developer as and when demand notice is raised by NREDCAP.

viii. Government of Andhra Pradesh will support and facilitate the project for availing grants of special category projects under Central Govt. schemes.

ix. Govt. of A.P. will facilitate the project for availing benefits provided as per National Energy Storage Policy without any financial commitment from Govt. of Andhra Pradesh.

x. APTRANSCO shall facilitate for evacuation of power from the proposed PSP Projects to the nearest CTU sub-stations. Necessary evacuation facility till the nearest CTU shall be developed by M/s. JSW Neo Energy Ltd.

xi. The Forest Department shall extend necessary support and facilitate to carry out surveys and investigations in forest areas and diversion of forest lands.

xii. The Power generated from these pumped storage projects would be connected to Power Grid / CTU substation and delivered outside the State with no obligation for DISCOMS to purchase power. However, DISCOMs shall have first right of refusal.

xiii. The allocated project shall be executed and commissioned within a period of Six (6) years from the date of total land handing over to the Project, failing which the entire land shall be resumed back to the Government.

xiv. Local area development fund shall be levied on developer as per the guidelines issued by the Government of India from time to time.

8. The Revenue Department/EFS & T Dept., /Industries & Commerce Dept., /Water Resources Department/Chairman & Managing Director, APTRANSCO, Vijayawada shall take necessary action accordingly with respect to their issues mentioned at para 7 above.

9. The Vice Chairman & Managing Director, New and Renewable Energy Development Corporation of Andhra Pradesh, Tadepalli shall take further necessary action accordingly.

(BY ORDER AND IN THE NAME OF THE GOVERNOR OF ANDHRA PRADESH)

K.VIJAYANAND
SPECIAL CHIEF SECRETARY TO GOVERNMENT

To
M/s. JSW Neo Energy Ltd, JSW Centre, Bandra Kurla Complex, Bandra (East), Mumbai – 400 051.

The Vice Chairman & Managing Director, New & Renewable Energy Development Corporation of Andhra Pradesh Ltd., Tadepalli.
The Chairman & Managing Director, APTRANSCO, Vidyuth Soudha, Vijayawada.
The Chief Commissioner of Land Administration& Special Chief Secretary, APIIC Towers, Mangalagiri.
The Special Chief Secretary to Government, Revenue Department
The Special Chief Secretary to Government, Finance Department
The Special Chief Secretary, Industries & Commerce Department
The Special Chief Secretary to Government, EFS&T Department.
The Principal Secretary to Government, Water Resources Department.
The Principal Chief Conservator of Forests, GoAP, Guntur
The Collector & District Magistrate, YSR District.

Copy to:

The Commissioner of Industries Department, Vijayawada.
The Managing Director, APGENCO, Gunadala, Vijayawada.
The Chairman & Managing Director, APSPDCL, Tirupathi.
The Chairman & Managing Director, APCPDCL, Vijayawada.
The Chairman & Managing Director, APEPDCL, Visakhapatnam.
The P.S to Special Chief Secretary to Chief Minister.
The P.S., to the Secretary to Chief Minister.
The P.S., to Minister for Energy, EFS & T and Mines & Geology.
The P.S., to the Special Chief Secretary to Government, Energy Department.
The Secretary,Ministry of New & Renewable Energy (MNRE), GoI, New Delhi.
The Secretary, Ministry of Power, GoI, New Delhi.
The G.A. (Cabinet) Dept.
SF/SCs.

//FOWARDED BY ORDER//

SECTION OFFICER

Signed by Vani Kinthada
Date: 20-07-2023 15:27:49
Reason: Approved